



**MINUTES
CITY COUNCIL WORK SESSION
March 15, 2022**

CALL TO ORDER

The meeting was called to order at 5:00 pm.

Present: Mayor: Charlie Miner; Council: Jahn Dyvik, Mike Feldmann, Gina Joyce, and Deirdre Kvale

Staff Present: City Administrator: Scott Weske; City Attorney: John Thames; and Fire Chief: James Van Eyll

Absent: None

APPROVE AGENDA

A motion was made by Feldmann, seconded by Dyvik, to approve the agenda as presented. Ayes: all.

OPEN CORRESPONDENCE

Sam Rettinger, 425 Lake Street – Mr. Rettinger asked if he would be able to ask questions following the presentation regarding future fire services.

Mayor Miner determined that he thought that would be appropriate.

BUSINESS ITEMS

Review Options and Discuss Direction to Staff Regarding the Long Lake Fire Department and the Future of Fire Services

City Administrator Weske reviewed details of the three fire coverage options for the future of fire services in the City: keep the Long Lake Fire Department as it will be once Orono goes their own direction; have a contract for fire service; or participate in a joint fire services district.

Mayor Miner inquired about conversations with Hamel and Loretto Fire Departments and noted that he understood that they were running into issues with their pension funds.

Fire Chief Van Eyll explained that they have employed Abdo, Eick & Meyers to work through the financials of the pension issue.

Mayor Miner observed that it will take years before the districting model works itself out so it does not seem like an option for the City in the near future, and expressed his disappointment that Orono is not participating in the district discussion. He opined that the joint district concept is a good one and is more sustainable than any other model he has seen. He noted that he had invited a new resident to speak at the next fire services meeting who is a retired firefighter from a fire district in Oregon. He feels like districting may be a good long-term solution, but there will still need to be something done in the short term which would either be contracting with Orono or Wayzata, or continuing with what remains of the Long Lake Fire Department.

Sam Rettinger, 425 Lake Street, stated that the perfect fit may be for Long Lake and Wayzata to merge their Fire Departments because they both have water and sewer. He shared other thoughts on unnecessary equipment and noted that because the two cities are so close, they can support each other. He noted that because of where the station is right now in Orono, the response time is very slow because it is over 10 minutes now and when the station was in town it was five minutes or less.

Mayor Miner mentioned that may be one option.

Council member Kvale asked if Mr. Rettinger was suggesting a satellite garage in the City and then cooperation between the cities.

Mr. Rettinger envisioned that the cities would work together and support each other, as needed. He noted that he feels the station could be put where Public Works is currently located because they won't need a lot of room.

Mayor Miner indicated that the City will need to figure out the future of Fire Station #1 and will need to obtain an appraisal because that has not yet been done for the City's side. The appraisal that Orono had conducted came in at \$1.7 million. A part of the appraisal that caught his attention was a statement that 'the appraised value assumes the City of Orono would allow for this subject to be sold and used as an office or shop and/or industrial related use, if found to be otherwise, appraisal value could differ.' He noted that he does not see any scenario where that would actually be done and it would be used for an office, shop, or industrial use.

The Council discussed ordering for an appraisal to be completed and what had been included in the first appraisal by Orono. They also reviewed the property's current zoning as institutional, the surrounding zoning areas, possible resale options, and current increased construction costs.

Van Eyll suggested that perhaps the Council could talk about the options and then figure out the dollars that would be associated with each option. He added that he thinks the best way to look at this situation is to figure out which way they want to go, give staff some direction, and then they can come back with some better cost estimates for Council consideration.

Council member Kvale asked if staffing would be an issue if the City had a satellite station.

Van Eyll confirmed that staffing would absolutely be an issue. The firefighters have told both Councils that they would like to stay together and do not want to see the department broken up. He stated that it is hard enough to get firefighters for one department and now they would be competing. He expects staffing to be an issue and would anticipate staffing costs to increase.

The Council commented on some of the details surrounding difficulty in staffing.

Council member Joyce recalled that there is a long history to having the Long Lake Fire Department. She values that history, reflected that she thinks a lot of people do, and asked if the rest of the Council felt that was something that they should try their hardest to keep rather than see it go off to another City. She added that personally she would like to see them keep the Long Lake Fire Department and asked what it would take to make that happen including, money, space, and staffing.

Van Eyll reiterated that staffing is probably going to be the largest issue besides raising the funds. He stated that he doesn't see too many other issues other than there has to be another willing party, for example, Wayzata. He noted that he has not been involved in the conversations so he

doesn't know if they may be a willing party or not. He added that Wayzata also has a very proud Fire Department with 102 years of history, so they would probably be saying the same thing that Council member Joyce just shared.

Council member Joyce commented that in her mind it would not be a circumstance of either City taking over from the other, but would be an opportunity to collaborate and maintain the history for both, which she feels would be a win/win, if they are willing.

Van Eyll indicated that honor and tradition are foundations and are not fixed, but they are also a platform that can be used to decide how fire services can be adapted to fit future needs while still honoring traditions. If that is what the Council wants them to do, then that is what they need to look at.

Council member Joyce stated that she would personally like to see this approach.

Council member Kvale inquired about what staffing requirements would be for a 'satellite' office.

Van Eyll explained that typically one-third to one-half of the staff responds, which means four people on an engine, three or four on medicals, so minimum staffing would likely be approximately 15-20 individuals, though he cautioned that would be a 'bare bones' number. He noted that in order to conduct any firefighting activities, you need a minimum of 12-14 people at the scene in a certain amount of time.

Council member Kvale added that Wayzata may actually be interested then because the two cities could augment each other's staffing levels.

Van Eyll cautioned that the City cannot over utilize mutual aid services because it is not meant to be used to supplement the regular fire services for the City.

The Council discussed ladder truck needs and costs for different scenarios.

Council member Kvale asked Fire Chief Van Eyll for his thoughts and opinions on the City's options.

Van Eyll replied that setting the money issue aside, the Council needs to figure out what they want to do. If they want to have department control, they will need to pay for it; however, the City has not been saving money over the years for future fire services. He indicated that there is no better deal than what they have right now, so if there was anyway to continue that partnership in any shape or form, he would recommend that be considered. He added that the only way to do so though with the City of Orono is to let them own the Fire Department. He feels there are three options for them: Option 1 - Orono owns the department, while maintaining the ownership split the way it is; Option 2 – Orono owns the Fire Department completely, buys out Long Lake, and the City contracts for fire services; or, Option 3 – the department is split up.

Council member Dyvik noted that he didn't think Option 1 was on the table at all anymore.

Van Eyll encouraged the City to go back and ask again, if that is what the Council wants. He commented that if they find out that Option 1 truly isn't on the table, then the City can go back and say, here is what we want in order to sell everything out. He reiterated that the firefighters' preferred outcome is to stay together, and explained that as a group they have fought long and hard since 2008 to bring two fire stations together into one department.

The Council discussed the possibilities and potential difficulties of contracting with other cities.

Mayor Miner communicated that he had been of the same mindset as Council member Joyce a few years ago, but as he has spoken with the firefighters, he has swung around a bit where he is more open to the concept of the fire department being controlled or managed by Orono. He added that he feels that there could be a way to work that towards Long Lake's advantage while making sure the City ends up in a good place.

Council member Dyvik shared that he was also in the position where he felt the Long Lake Fire Department needed to remain the Long Lake Fire Department, but in speaking with the firefighters, he heard more often than not that they do not care what is written on the side of the truck and are wanting to keep what they have together regardless of what the department is called.

Council member Kvale asked about volunteers, paid on-call, and duty fire crews.

Van Eyll responded that in 2020 the plan was to try to implement a duty crew model during the summer months to see how it went; however, due to COVID-19 that plan was scrapped. He indicated that he had not had any conversations with the City of Orono as to what staffing model they would want to use in the future.

Mayor Miner noted that because Orono has not been participating in fire advisory and other meetings, he has concern they may not have a true idea or knowledge of how to run a fire department, which makes him a bit nervous because they may be a bit naive.

Council member Joyce questioned whether she was correct that at one time Orono, if they managed to take the fire service from the City, would also require the City to contract with their police.

Council member Dyvik confirmed that was what Orono had wanted.

Mayor Miner clarified that Orono has been told that the City is under contract with Wayzata through 2027 or 2028, so that is non-negotiable. He fully expects them to take another run at the City's Police contract in the future.

Council member Joyce explained that this is a concern of hers because she does not feel Orono should be able to dictate what services the City utilizes. She added that she has also heard them talk about how they tried and failed to 'absorb' Long Lake and questioned how Long Lake can prevent that from happening, as she would not want to see that occur.

Council member Dyvik recalled that the question of annexation had been put on the ballot back in 2002.

Mr. Rettinger, speaking from the audience, recalled some of the details of what had happened in the past with Orono trying to absorb the City.

Council members discussed details and history surrounding the department servicing just a portion of Orono, and when the service began to change.

Council member Joyce commented that she is trying to figure out how the fire department lasted 100 years, and now they cannot continue forward as is.

Van Eyll clarified that the City had their own department and paid for it which is how it lasted 100 years, adding that for many years it was a small station housed with Public Works.

Mr. Rettinger noted that until 1971 there was no tax levy in the City because the Red Rooster's on and off sale municipal liquor licenses paid the bills.

Weske reflected that in the early 2000's when the Highway 12 bypass was coming in, around that time, Orono started making statements that they had ownership in things because of how much they paid for the service, but that they really did not have. He explained that MnDOT came in and said they were taking Long Lake's Fire Station, Public Works and City Hall facilities, and Orono was fighting for their share of it.

Mr. Rettinger stated that Orono had no claim to any of it when that happened, and he feels they conned Long Lake out of over \$6 million.

The Council discussed the past decision by the previous Council against owning 50% of the Station 2 building, because owning a depreciating asset that many miles outside of the City they felt was not fiscally responsible.

Van Eyll indicated that was probably the worst mistake the previous Council could have made.

Weske explained that the City pays for the operation of Station 2 but does not have any ownership of it.

Council member Joyce inquired whether it may be an option to revisit the matter and have 50/50 ownership of each facility.

Weske responded that he wasn't sure that he would advise considering going that route at this point.

Mayor Miner clarified that the Council would not be coming to any final conclusion tonight, but he would like to see Council provide some direction to staff on what they would like researched for future discussions.

Council member Feldmann asked if the annual costs depicted in column one of the table shared with Council members were with the view of the City as running their own mini-department.

Van Eyll stated that option referenced would have the department just covering the City of Long Lake with 50-75 estimated calls, and somehow modifying the Public Works facility.

Council members considered options for contracting or sharing for some equipment and services under the different options.

Van Eyll reminded the Council that the annual costs depicted would be the bare minimum costs and any other cost sharing on contracting would be on top of that dollar figure.

The Council discussed paid on-call firefighters, administration staffing, training requirements, and how the department would be managed if there wasn't a full-time Fire Chief.

Council member Kvale indicated that she would like information on whether certain options are viable, for example, whether Wayzata or some other city would even be interested in a joint district. She reiterated that she would like to know what the City's concrete options are.

Council member Joyce asked if the City could just outright ask the question of other cities.

Weske commented that the question is where the City's comfort level is. He suggested that perhaps there may need to be a closed session to work through the contract and review what is negotiable while attempting to put the City's own terms together; for example, what price the City would be comfortable being bought out at, and what service provider would be preferred. He gave an overview of how the current contract is set up for police services and how similar terms could be included in a fire service contract.

Council member Feldmann agreed with Council member Kvale, stating that this Council needs to know what their actual options are. There has been a lot of talk about Wayzata, but they are not represented in the room. He would like to know if they are interested in a partnership, and what shared expenses can exist. He added that it is possible that option is completely off the table.

Mr. Rettinger stated that there are a lot of retired firefighters around and suggested that there be a subcommittee working underneath the Council to create more ideas on how this could look in the future.

Cody Farley, Long Lake firefighter, communicated that it is unfortunate the City is in this position because they are truly between a rock and hard place, and wherever they go from here will not be as great as it is now. No matter what option the City moves forward with, they are really just in damage control mode. He noted that he is not sure there are three options available to consider because there are a lot of details wrapped into them, and it will require quite a few more conversations to think through the details. He shared examples of situations and complications that had not been discussed. He opined that the options may be, that the City can gift Orono a really good department and negotiate some really good terms for the Long Lake; or as they alluded to, drag its feet a bit too long, potentially frustrating Orono so they may not even be interested in writing a favorable contract anymore. He encouraged the Council to quickly evaluate the options, get an assessment done on what the City has, and start having conversations, including talking with the City of Orono.

Council member Dyvik asked if the pension would be an issue.

Van Eyll responded that it would depend on the situation.

The Council discussed having a three-track plan simultaneously: moving forward with a subcommittee brainstorming options; have a conversation with Wayzata about a possible partnership instead of contracting for services; and evaluate the value of all the City's fire equipment and assets.

Van Eyll stated that he thinks a multi-tiered approach would be good, but cautioned that they need to have timetables on not just the general idea of 'yes, we are going to do some research'. He indicated that the City needs to really start stepping on the gas and start moving forward with a direction.

Council member Joyce suggested allocating time at work sessions every month to discuss fire services.

Council member Dyvik observed that starting with the letter Victoria Seals and Ryan Kanive wrote previously may be a good starting point because the items in the letter are things that Orono has seemingly previously agreed to.

Van Eyll cautioned against the mindset that 'Orono' had agreed to anything because the document was not representative of their full Council.

Mayor Miner stated that he did not see an outcome where the City would purchase Station 1.

Council member Feldmann added that if the City is going to consider selling its half of the station, there needs to be a legitimate appraisal completed of the station as a fire department facility.

Weske responded that he found an appraiser willing to conduct an appraisal that would cost about \$3,500.

It was the consensus of the Council to direct staff to move forward with conducting an independent appraisal of Station 1.

City Attorney Thames suggested that once the Council receives the appraisal and other pertinent information, that they discuss the items in a closed session. He stated that then he thinks the City should put together a package of proposals because he believes that is something Orono is looking for. In the meantime, the City can also explore other options to see if there may be something more attractive to move towards. He agreed that the City should be looking at this from both sides, namely what will it take for the City to sell, and if the City will go somewhere else for fire services, what that would look like.

OTHER BUSINESS

No other business was discussed.

ADJOURN

Hearing no objection, Mayor Miner adjourned the meeting by general consent at 6:26 pm.

Respectfully submitted,

Scott Weske
City Administrator